

HAYS RECREATION COMMISSION

HAYS, KANSAS

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED DECEMBER 31, 2012

HAYS RECREATION COMMISSION

HAYS, KANSAS

FINANCIAL STATEMENTS

For the Year Ended December 31, 2012

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# GUDENKAUF & MALONE, INC.

## Shareholder

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## Shareholder

James Malone, CPA

### INDEPENDENT AUDITORS' REPORT

To The Commissioners  
Hays Recreation Commission  
Hays, Kansas 67601

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Hays Recreation Commission, Hays, Kansas, as of and for the year ended December 31, 2012 and the related notes to the financial statement.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note A of the financial statement, the financial statement is prepared by the Hays Recreation Commission to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial

position of the Hays Recreation Commission as of December 31, 2012, or changes in the financial position and cash flows thereof for the year then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Hays Recreation Commission as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

*Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

The 2011 Actual column presented in the individual fund schedule of regulatory basis receipts and expenditures-actual and budget (Schedules 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 basic financial statement upon which we rendered an unqualified opinion dated March 15, 2013. The 2011 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2011 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 basic financial statement. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 basic financial statement or to the 2011 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 basic financial statement as a whole, on the basis of accounting described in Note A.



Gudenkauf & Malone, Inc.  
Russell, Kansas  
March 15, 2013

**HAYS RECREATION COMMISSION  
HAYS, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
Regulatory Basis  
For the Year Ended December 31, 2012**

**Statement 1**

| Funds                                    | Beginning<br>Unencumbered<br>Cash Balance | Prior Year<br>Cancelled<br>Encumbrances | Receipts            | Expenditures        | Ending<br>Unencumbered<br>Cash Balance | Add<br>Encumbrances<br>and Accounts<br>Payable | Ending<br>Cash Balance |
|--|---|---|---------------------|---------------------|--|--|------------------------|
| General Fund                             | \$ 811,925                                | \$ -                                    | \$ 1,576,088        | \$ 1,697,908        | \$ 690,105                             | \$ 87,822                                      | \$ 777,927             |
| Special Revenue Fund<br>Employee Benefit | 11,595                                    | -                                       | 128,584             | 140,178             | 1                                      | 125  | 126                    |
| Total Government                         | <u>\$ 823,520</u>                         | <u>\$ -</u>                             | <u>\$ 1,704,672</u> | <u>\$ 1,838,086</u> | <u>\$ 690,106</u>                      | <u>\$ 87,947</u>                               | <u>\$ 778,053</u>      |

Composition of Cash:

|                         |                   |
|-------------------------|-------------------|
| Golden Belt Bank        |                   |
| Checking Account        | \$ 34,789         |
| Savings Account         | 222,754           |
| Certificate of Deposit  | 40,845            |
| Bank of Hays            |                   |
| Certificates of Deposit | 479,465           |
| Cash on Hand            | 200               |
| Total Reporting Entity  | <u>\$ 778,053</u> |

The notes to the financial statements are an integral part of this statement.

HAYS RECREATION COMMISSION  
HAYS, KANSAS

Notes to Financial Statements

Year Ended December 31, 2012

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Hays Recreation Commission (the Commission) is a municipal corporation governed by a five member board. Two Commissioners are appointed by the City of Hays, two Commissioners are appointed by Unified School District No. 489, and one Commissioner is elected by the four appointed Commissioners. The regulatory basis financial statement presents the Commission. The Commission has omitted its related municipal entity.

Related Municipal Entity

The Hays Recreation Commission has omitted the financial data of the Hays Recreation Commission Foundation, which is a related municipal entity. The Financial data of the Foundation has not been audited. The Hays Recreation Foundation was organized to support and advance the charitable, scientific, and educational endeavors of the Hays Recreation Commission by receiving gifts, donations, conveyances, deeds, bequests, and devises of money and property.

Regulatory Basis Fund Types

General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project fund - used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business fund - financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.).

Trust fund - used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency fund - used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Basis of Accounting

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of

HAYS RECREATION COMMISSION  
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Notes to Financial Statements

Year Ended December 31, 2012

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The Commission has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the Commission to use the regulatory basis of accounting.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund and special revenue funds (unless specifically exempted by statute). Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Prior to the certification of its budget to the school district, the recreation Commission shall meet for the purpose of answering and hearing objections of taxpayers relating to the proposed budget and for the purpose of considering amendments to such proposed budget.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget 10 days prior to meeting.
3. Public hearing shall be held not less than 10 days prior to the date on which the recreation Commission is required to certify its budget to the school district.
4. Adoption of the final budget and certification to the school district not later than August 1<sup>st</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the Commission for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.



HAYS RECREATION COMMISSION  
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Notes to Financial Statements

Year Ended December 31, 2012

NOTE B – DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the Commission. The statute requires banks eligible to hold the Commission's funds have a main or branch bank in the county in which the Commission is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Commission has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Commission's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Commission has no investment policy that would further limit its investments choices.

*Concentration of credit risk.* State statutes place no limit on the amount the Commission may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The Commission has no investments at December 31, 2012.

*Custodial credit risk - deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. State statutes require the Commission's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The Commission had no designated "peak periods." All deposits were legally secured at December 31, 2012.

At December 31, 2012 the Commission's carrying amount of deposits was \$778,053 and the bank balance was \$778,830. The difference between the carrying amount and the bank balance is outstanding checks, deposits in transit and \$200 cash on hand. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance and the balance of \$278,830 was collateralized with securities held by the pledging financial institutions' agents in the Commission's name.

NOTE C – PROPERTY TAX

Property taxes are collected and remitted to entities by the County Treasurer. Unified School District No. 489 remits the Commission's portion of property taxes to the Commission. Taxes levied annually on November 1<sup>st</sup> are due one-half December 20<sup>th</sup> and one-half by May 10<sup>th</sup>. Tax payments are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

NOTE D – DEFINED BENEFIT PENSION PLAN

*Plan Description* – The Commission participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100, Topeka, KS 66603), by calling 1-888-275-5737 or at [www.kpers.org](http://www.kpers.org).

*Funding Policy* – K.S.A. 74-4919 and K.S.A. 74-4921 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is



HAYS RECREATION COMMISSION  
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Notes to Financial Statements

Year Ended December 31, 2012

NOTE D – DEFINED BENEFIT PENSION PLAN – CONTINUED

a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employers share.

NOTE E – COMPENSATED ABSENCES AND TERMINATION BENEFITS

All full-time employees are eligible to accumulate up to 96 hours of vacation per year. An employee terminating employment with the Commission prior to the first anniversary date of employment shall not be paid for accumulated vacation leave. After one year of service, if any employee terminates his employment in good standing or in the event of death, he or his heirs shall be entitled to a lump sum payment for all vacation earned in the current and previous calendar years on the basis of the employee's current salary. Additional vacation time is accumulated at various anniversaries, beginning after 3 years of service. Total accrued vacation at December 31, 2012 was \$10,070.

Any employee hired on or after March 1, 2003 may accrue a maximum of 480 hours of sick leave. Any employee hired prior to March 1, 2003 who has accumulated more than 480 hours will not accrue any additional sick leave. However, if such an employee uses sick time to the extent that they fall below 480 hours of accrued sick time, that the employee will again begin accumulating sick leave subject to the maximum of 480 hours. If an employee resigns in good standing or upon death, he or his beneficiary will be paid for any unused sick leave at the following rate:

| <u>Years of Service</u> | <u>Rate</u> |
|-------------------------|-------------|
| 0-4                     | 10%         |
| 5-9                     | 15%         |
| 10-14                   | 20%         |
| 15 or more              | 25%         |
| Retirement              | 30%         |

Total accrued sick leave at December 31, 2012 was \$9,108.

NOTE F – OPERATING LEASES

The Commission entered into a 5-year rental lease with USD No. 489 for gymnasium rental on April 3, 2006. Terms of the lease are \$1,000 annual rent. The lease will renew every five years. Payments are to be made annually as billed by USD No. 489. Minimum future rentals are as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2011        | 1,000         |
| 2012        | 1,000         |
| 2013        | 1,000         |
| 2014        | 1,000         |
| 2015        | 1,000         |

HAYS RECREATION COMMISSION  
HAYS, KANSAS

Notes to Financial Statements

Year Ended December 31, 2012

NOTE F – OPERATING LEASES – CONTINUED

In 2013, the Commission agreed to allow USD No. 489 to utilize Commission facilities in lieu of paying the scheduled \$1,000 payment of the operating lease.

NOTE G – LEASE OBLIGATIONS

The Hays Recreation Commission has a pool service agreement with the City of Hays, Kansas. The City of Hays owns and maintains Wilson Pool and the Hays Aquatic Park.

The Hays Recreation Commission entered into a pool service agreement on September 14, 2006 with the City of Hays. The agreement states that the recreation Commission will run and maintain the Wilson Pool and Hays Aquatic Park. The Commission will be responsible to pay for any repair under \$500. After financial reports are compiled according to terms of the agreement, any operating loss or surplus incurred by the Commission will be shared on a 50% City – 50% Commission basis as long as the Hays Recreation Commission's portion of the loss does not exceed \$26,000. The agreement is for a five year period beginning January 1, 2007 through December 31, 2011. The agreement automatically renewed on January 1, 2012 for a period of 5 years.

On September 14, 2006 the Hays Recreation Commission entered into a recreation facilities agreement with the City of Hays. The agreement states that the Hays Recreation Commission has exclusive rights to schedule and use all recreation facilities. The City of Hays will provide maintenance, repairs and utilities for all facilities. The Hays Recreation Commission agrees to pay \$35,000 a year to offset expenses. The agreement is for a five year period beginning January 1, 2007 and ending December 31, 2011. The agreement automatically renewed on January 1, 2012 for a period of 5 years.

NOTE H – USES OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the Kansas Municipal Audit and Accounting Guide requires management to make estimates and assumptions that affect certain reports amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE I – COMPARATIVE DATA

The amounts for 2011 in Schedule 2 in the accompanying financial statements are included in order to provide an understanding of changes in the Commission's cash and unencumbered cash balances. However, complete data (i.e., presentation of prior year totals in Statement 1 and Schedule 1) has not been presented since their inclusion would make certain statements unduly complex and difficult to read. Certain amounts for 2011 in Schedule 2 may have been restated to conform with the presentation of similar amounts for 2012.

NOTE J – RISK MANAGEMENT – CLAIMS AND JUDGMENTS

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Commission has purchased commercial insurance for these potential risks. There were no settlements that exceeded insurance coverage in the past three years. During the ordinary course of its operations the Commission is a party to various claims, legal actions and complaints. It is the opinion of the Commission's management and legal counsel that these matters are not anticipated to have a material financial impact on the Commission.

HAYS RECREATION COMMISSION  
HAYS, KANSAS

Notes to Financial Statements

Year Ended December 31, 2012

NOTE K – RELATED PARTY TRANSACTIONS

In a governmental entity, related parties include members of the governing body, board members, administrative officials, and immediate families of administrative officials, board members, and members of the governing body. Required disclosures, in accordance with Financial Accounting Standards Board Statement No. 57, on related party transactions do not include compensation arrangements, expense allowances and similar items incurred in the ordinary course of operations. The following are not required to be reported, but are presented for additional information.

|   |        |
|---|--------|
| Big Brothers/Big Sisters, advertising   | \$250  |
| Nancy Jeter, board member               |        |
| Eagle Radio, advertising                | 19,933 |
| Todd Lynd, board member                 |        |
| FHSU Athletic Association, advertising  | 100    |
| Lynn Maska & Jeff Briggs, board members |        |
| Jolene Briggs, spouse                   |        |
| Jeter Law Firm, LLP, legal services     | 63     |
| Bill Jeter, spouse                      |        |
| Eva Junk, refund for cancelled class    | 40     |
| Eva Junk, spouse                        |        |
| USD 489, program expenses               | 4,695  |
| Eva Junk & Karla Bixenman, spouses      |        |

NOTE L – SUBSEQUENT EVENTS

In January of 2013, the balance of the capital lease, \$252,891, was paid off in full. Of this amount, \$54,000 was encumbered in 2012, leaving a budget expenditures of \$198,891 plus interest for 2013.

Management has evaluated the effects on the financial statements of subsequent events occurring through March 15, 2013 which is the date at which the financial statements were available to be issued.

**HAYS RECREATION COMMISSION  
HAYS, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2012**

NOTE M - LONG-TERM DEBT

Changes in long-term liabilities for the Hays Recreation Commission for the year ended December 31, 2012, were as follows:

| Issue                          | Interest Rates | Date of Issue | Amount of Issue     | Date of Final Maturity | Balance Beginning of Year | Additions   | Reductions / Payments | Balance End of Year | Interest Paid    |
|--------------------------------|----------------|---------------|---------------------|------------------------|---------------------------|-------------|-----------------------|---------------------|------------------|
| Capital Lease Payable Building | 7.83%          | 07/24/98      | \$ 1,340,000        | 07/24/18               | \$ 622,520                | \$ -        | \$ 369,630 *          | \$ 252,890          | \$ 36,682        |
| Total Capital Leases           |                |               | <u>1,340,000</u>    |                        | <u>622,520</u>            | <u>-</u>    | <u>369,630</u>        | <u>252,890</u>      | <u>36,682</u>    |
| Total Long-Term Debt           |                |               | <u>\$ 1,340,000</u> |                        | <u>\$ 622,520</u>         | <u>\$ -</u> | <u>\$ 369,630</u>     | <u>\$ 252,890</u>   | <u>\$ 36,682</u> |

\* An additional \$54,000 payment was approved and encumbered in 2012.

**HAYS RECREATION COMMISSION  
HAYS, KANSAS**

**Notes to Financial Statements  
Year Ended December 31, 2012**

NOTE M - LONG-TERM DEBT - CONTINUED

Current maturities of long-term debt are as follows:

|                            | <u>2013</u>              | <u>Total</u>             |
|----------------------------|--------------------------|--------------------------|
| Principal:                 |                          |                          |
| Capital Lease Payable      | <u>\$ 252,891</u>        | <u>\$ 252,891</u>        |
| Total Principal            | <u>252,891</u>           | <u>252,891</u>           |
| Interest:                  |                          |                          |
| Capital Lease Payable      | <u>4,081</u>             | <u>4,081</u>             |
| Total Interest             | <u>4,081</u>             | <u>4,081</u>             |
| Total Principal & Interest | <u><u>\$ 256,972</u></u> | <u><u>\$ 256,972</u></u> |

REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION

**HAYS RECREATION COMMISSION  
HAYS, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
Regulatory Basis  
For the Year Ended December 31, 2012**

**Schedule 1**

| Funds                                    | Certified<br>Budget | Adjustment for<br>Qualifying<br>Budget Credits | Total<br>Budget for<br>Comparison | Expenditures<br>Chargeable to<br>Current Year | Variance<br>Under<br>(Over) |
|--|---------------------|--|-----------------------------------|---|-----------------------------|
| General Fund                             | \$ 1,720,202        | \$ -   | \$ 1,720,202                      | \$ 1,697,908                                  | \$ 22,294                   |
| Special Revenue Fund<br>Employee Benefit | 156,250             | -  | 156,250                           | 140,178                                       | 16,072                      |
|  | <u>\$ 1,876,452</u> | <u>\$ -</u>                                    | <u>\$ 1,876,452</u>               | <u>\$ 1,838,086</u>                           | <u>\$ 38,366</u>            |



**HAYS RECREATION COMMISSION  
HAYS, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

**GENERAL FUND**

Schedule 2  
Page 1 of 2

|   |                  | 2012       |              | Variance        |
|---|------------------|------------|--------------|-----------------|
|   | 2011<br>Actual * | Actual     | Budget       | Under<br>(Over) |
| Cash Receipts *                         |                  |            |              |                 |
| Administration                          | \$ 839,668       | \$ 897,526 | \$ 808,300   | \$ 89,226       |
| Facilities                              | 12,213           | 14,700     | 11,500       | 3,200           |
| Sports Complex                          | -                | 98,872     | 67,500       | 31,372          |
| Aquatics                                | 199,466          | 244,142    | 161,800      | 82,342          |
| Wellness Programs                       | 119,930          | 117,875    | 151,200      | (33,325)        |
| Adult Programs                          | 20,354           | 17,537     | 15,475       | 2,062           |
| Youth Programs                          | 30,579           | 34,384     | 17,240       | 17,144          |
| Adult Sports                            | 46,929           | 45,478     | 46,250       | (772)           |
| Youth Sports                            | 115,294          | 105,574    | 89,750       | 15,824          |
| Total Cash Receipts                     | 1,384,433        | 1,576,088  | \$ 1,369,015 | \$ 207,073      |
| Expenditures *                          |                  |            |              |                 |
| Administration                          | 348,661          | 421,674    | 427,950      | 6,276           |
| Facilities                              | 223,405          | 580,681    | 232,812      | (347,869)       |
| Sports Complex                          | 20,656           | 139,405    | 115,000      | (24,405)        |
| Aquatics                                | 155,262          | 207,762    | 211,050      | 3,288           |
| Wellness Programs                       | 122,605          | 114,259    | 142,000      | 27,741          |
| Adult Programs                          | 21,994           | 20,209     | 23,080       | 2,871           |
| Youth Programs                          | 23,415           | 29,786     | 30,450       | 664             |
| Adult Sports                            | 41,745           | 39,571     | 51,450       | 11,879          |
| Youth Sports                            | 84,876           | 84,130     | 97,000       | 12,870          |
| Capital Improvement                     | 234,460          | 60,431     | 389,410      | 328,979         |
| Total Expenditures                      | 1,277,079        | 1,697,908  | \$ 1,720,202 | \$ 22,294       |
| Cash Receipts Over (Under) Expenditures | 107,354          | (121,820)  |              |                 |
| Unencumbered Cash, Beginning            | 704,571          | 811,925    |              |                 |
| Unencumbered Cash, Ending               | \$ 811,925       | \$ 690,105 |              |                 |

\* Classification within the categories have changed from the prior year. No change in totals.

**HAYS RECREATION COMMISSION  
HAYS, KANSAS**

**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2012

(With Comparative Actual Totals For the Prior Year Ended December 31, 2011)

**EMPLOYEE BENEFIT FUND**

Schedule 2  
Page 2 of 2

|   |                | 2012       |            | Variance        |
|---|----------------|------------|------------|-----------------|
|   | 2011<br>Actual | Actual     | Budget     | Under<br>(Over) |
| Cash Receipts                           |                |            |            |                 |
| Appropriations                          | \$ 84,294      | \$ 128,584 | \$ 130,400 | \$ (1,816)      |
| Miscellaneous                           | -              | -          | 8,655      | (8,655)         |
| Total Cash Receipts                     | 84,294         | 128,584    | \$ 139,055 | \$ (10,471)     |
| Expenditures                            |                |            |            |                 |
| Disability Insurance                    | 2,786          | 3,292      | 2,750      | (542)           |
| Employer FICA                           | 46,614         | 32,285     | 52,000     | 19,715          |
| Employer KPERS                          | 21,398         | 26,214     | 19,000     | (7,214)         |
| Health Insurance                        | 24,449         | 34,308     | 29,000     | (5,308)         |
| Liability Insurance                     | 30,221         | 27,481     | 32,000     | 4,519           |
| Tax Sheltered Annuities                 | 20,717         | 16,598     | 20,000     | 3,402           |
| Unemployment                            | -              | -          | 500        | 500             |
| Workmen's Compensation                  | -              | -          | 1,000      | 1,000           |
| Total Expenditures                      | 146,185        | 140,178    | \$ 156,250 | \$ 16,072       |
| Cash Receipts Over (Under) Expenditures | (61,891)       | (11,594)   |            |                 |
| Unencumbered Cash, Beginning            | 73,486         | 11,595     |            |                 |
| Unencumbered Cash, Ending               | \$ 11,595      | \$ 1       |            |                 |